



Pick of the week

InterGlobe Aviation

Recommendation: **BUY**

Date: **26th September 2022**

Current Price: ₹**1844**

Time Period: **12 Months**

Potential Upside: **47.0%**

Target Price: ₹**2710**

Why Invest

- Indigo has improved its brand equity among customers and added destinations and continues to add capacity, creating space for further market share gains.
- Competitors unlikely to come in way of Indigo maintaining healthy yields.
- We take comfort in Indigo's stated preference for making money even at current crude prices and our assessment of competitors suggests a limited scope of them playing spoilsport.
- Travelers are getting comfortable spending on air travel and are looking beyond rail travel even for travel booked much in advance.
- Jet fuel prices globally have declined in the past month, opening the prospect of a similar decline in domestic ATF (Aviation Turbine Fuel) prices as well. The decline in jet fuel prices globally may not get passed on to end customers.